United Nations A/63/130

General Assembly

Distr.: General
15 July 2008

Original: English

Sixty-third session
Item 60 (a) of the preliminary list*
New Partnership for Africa's Development: progress in implementation and international support

Africa's development needs: state of implementation of various commitments, challenges and the way forward

Report of the Secretary-General

Summary

In its resolution 62/242, the General Assembly requested the Secretary-General to submit to the high-level meeting on Africa's development needs a comprehensive report on "Africa's development needs: state of implementation of various commitments, challenges and the way forward". The present report is submitted in response to that request and constitutes the background document for the meeting.

The report seeks to highlight Africa's underlying development needs and challenges, including the lack of human and institutional capacity to design and implement sound policies and recurrent armed conflict. It reviews all main commitments made by the international community, including the United Nations, and by African countries, to address the continent's needs. In addition to analysing the state of implementation of commitments made by African States and institutions, the report considers the implementation of pledges made by international development partners in such key areas as international development assistance, debt relief and debt cancellation, trade liberalization and aid for trade, and peace and security. It also analyses the role of the United Nations in supporting the African Union and its New Partnership for Africa's Development and assesses progress in reaching the Millennium Development Goals in Africa. The report concludes that meeting Africa's development needs is within reach, provided that African States and the international community act with determination to turn existing commitments into concrete actions. To that end, the report makes some practical recommendations to improve the international community's efforts to address Africa's development needs.

* A/63/50.

08-42297 (E) 110808

Contents

		Paragraphs	*Page*
I.	Introduction	1–5	3
II.	Africa's development needs and challenges	6–13	4
III.	Commitments and state of implementation	14–64	6
	A. Plans of action and progress by African States and institutions	15–27	6
	B. Commitments and progress by the international community	28–64	10
IV.	South-South cooperation	65–70	21
V.	Conclusions and the way forward	71–91	23

I. Introduction

1. In resolution 62/242, the General Assembly, recalling its resolutions 61/229 and 62/179, decided that the high-level meeting on the theme "Africa's development needs: state of implementation of various commitments, challenges and the way forward" would be held on 22 September 2008. The Assembly requested the Secretary-General to submit to the high-level meeting a comprehensive report on the theme of the meeting. The present report is submitted in response to that request.

2. Africa has recently been the focus of considerable international attention. It has been the subject of the majority of Security Council resolutions in recent times, and ranks high on the current priority lists of the United Nations development and humanitarian agencies, as well as those of the other multilateral organizations and specialized agencies such as the World Bank, the International Monetary Fund (IMF) and the Organization for Economic Cooperation and Development (OECD), and of the Group of Eight. More recently, there has been a new trend towards the organization of multilateral summits in support of Africa, such as the Forum for China-Africa Cooperation, the South America-Africa Summit, the fourth Tokyo International Conference on African Development, the European Union-Africa Summit, the India-Africa Forum, and the Turkey-Africa Summit.

3. Attention has become particularly focused on Africa as it becomes clear that progress on the achievement of the Millennium Development Goals and other internationally agreed development goals is off track on the continent. This year marks the midpoint in the global effort to achieve the Goals by 2015, but on the basis of current trends, no African country is likely to achieve all of them. Fragile and post-conflict countries face particular challenges in generating momentum to reduce poverty and advance on improving living standards. Success stories on individual Goals across a range of countries show, however, that rapid progress can be made when sound domestic policies are matched with substantial technical and financial support from the international community. It is particularly timely, then, for the General Assembly to devote a day to taking stock of Africa's development needs in order to ensure that Africa's efforts to address them are met with commitments to action by the international community.

4. Building on the momentum that is being generated by the world's renewed attention to Africa and the bold initiatives of the continent's leaders, the twenty-first century should be the African century. The high-level meeting on Africa's development needs, and the high-level event on the Millennium Development Goals to be held on 25 September 2008, provide key opportunities to renew the political will to implement existing commitments to address Africa's development needs. They also provide timely occasions for all stakeholders to announce commitments to tangible action in support of the achievement of the Goals in Africa.

5. The present report takes stock of Africa's development needs and identifies actions that, if implemented, would ensure that these needs are addressed in the course of reaching the Millennium Development Goals and the internationally agreed development goals. The report is divided into three parts: first, it examines Africa's development needs and challenges within the present global, regional and national contexts; second, it takes stock of the main commitments made by African countries and the international community to address these challenges; and third, it provides recommendations that could positively impact the continent's

development. This report benefited from field consultations with the African Union (AU) Commission, the secretariat of the New Partnership for Africa's Development (NEPAD), the secretariat of the African Peer Review Mechanism, the United Nations Economic Commission for Africa (ECA) and OECD. The report also draws on the work of the MDG Africa Steering Group, which was first convened by the Secretary-General in September 2007 to catalyse, at the midpoint, more effective and efficient action by the international community in support of the Goals in Africa. Additionally, an inter-agency task force was convened to review and consult on the various stages of the preparation of the report.

II. Africa's development needs and challenges

6. Africa is endowed with human and natural resources, environmental diversity, and cultural and archaeological richness. The region is a youthful continent with over 920 million people, of whom 60 per cent are under 25 years of age. The last decade witnessed the end of several long-running civil wars and the consolidation of democratic rule in a majority of States in the region. The resumption of growth in many African economies since the mid-1990s has been similarly noteworthy. In 2007, Africa's real growth averaged 5.8 per cent, a rate comparable to and even higher than those of many other developing regions. This growth rate is attributable not only to improvements in the continent's terms of trade resulting from higher commodity prices, including for oil, but also to improved macroeconomic management and political governance. Across the continent, rates of inflation are low, fiscal balances are strong and reserves are being accumulated. Recent external debt relief has contributed to a reduction in debt overhang and liquidity constraints, which has opened space for enhanced social spending.

7. Africa's vast potential is, however, far from being fully harnessed. The continent remains one of the poorest regions in the world with about two fifths of its population living on less than US$ 1 a day. Despite strong overall economic performance in many countries, none are growing fast enough to make a substantial dent in their poverty numbers. In fact, at the midpoint for the achievement of the Millennium Development Goals, no country in Africa is on track to achieve all of them. In many economic dimensions, the continent is not realizing its potential. For instance, although the region represents 12 per cent of the world's population, it accounts for about 1 per cent of global gross domestic product (GDP) and 2 per cent of world trade. The region is also overrepresented in some undesirable areas: Africa is home to 75 per cent of the people infected with HIV/AIDS worldwide and 90 per cent of the annual deaths caused by malaria occur on the continent.

8. Africa is confronted by four key challenges: a global food crisis, profound climate change, soaring energy prices and persistent extreme poverty. High food prices are having a dramatic impact on African economies since most Africans, both rural and urban, are net purchasers of food. Some of the causes of the spike in prices, including high population growth rates, low agricultural productivity, limited access to technology and the impact of high oil prices on transport costs, are felt most acutely in Africa. As temperatures continue to rise, Africa's poor, who have contributed the least to global warming, are the most vulnerable to its adverse effects. The impact of climate change is already being felt in Africa. Rainfall patterns are changing, crops are wilting and pastoralists spend more time in search of water and grazing grounds. Climate change may alter patterns of agriculture and

trigger population displacement, which could have a significant negative impact on African economies.[1] Though Africa is the most severely affected by these challenges other regions, including the United States, Europe, India and Australia, are also being buffeted by droughts, floods, record commodity prices and stagnating growth. In this context, the well-being and interests of other regions are intimately tied to the satisfaction of Africa's development needs.

9. Violent conflict leads to loss of manpower, destruction of infrastructure, diversion of economic assets, misappropriation of natural resources and underperformance of foreign direct investment. In 1998, the Secretary-General's seminal report, "The causes of conflict and the promotion of durable peace and sustainable development in Africa" (A/52/871-S/1998/318), highlighted the historical legacies, the combination of internal and external factors and the economic motives that lead to conflict and hamper development in Africa. The 2007 follow-up report of the Secretary-General (A/62/204) noted that the basic conditions required for sustained peace and development have yet to be adequately consolidated on the continent. Poverty, weak State institutions, poor management of natural resources, failure to protect human rights and threats related to climate change were persistent. In similar fashion, the Constitutive Act of the African Union acknowledges that the scourge of conflicts in Africa constitutes a major impediment to the socio-economic development of the continent.

10. The legacy of colonialism includes the loss of key human and natural resources and the demarcation of arbitrary borders, and an inhibited process of political and economic development. African leaders themselves have declared that these adverse consequences of colonialism should, however, not be used to absolve them from responsibility. Reflecting this view, the AU Constitutive Act and the NEPAD programme recognize that the impoverishment of the African continent was exacerbated by shortcomings in the policies pursued by many countries in the post-independence era.

11. Performance indicators suggest that actions taken by some African Governments have had a detrimental impact on the living conditions of their citizens. Some African countries have been characterized by overly personalized rule, excessive centralization of power and institutionalized corruption, which have in many cases severely undermined the prospects for economic growth and political stability. African Governments have, however, committed themselves to actively promote human rights, the rule of law and the consolidation of democracy by, for instance, subscribing to APRM and NEPAD.

12. Even as countries have educated and trained their people, many individuals who have benefited from such investment have contributed to the brain drain, thus depriving these countries of the requisite human capital for public and private management. The creation and retention of capacity for development should therefore be a high priority. Moreover, technical and vocational training in Africa is poorly funded and managed. Consequently, African countries face high youth

[1] See World Bank and International Monetary Fund (IMF), *Global Monitoring Report 2008: MDGs and the Environment: Agenda for Inclusive and Sustainable Development*, 2008; *Africa's Development: Promises and Prospects*, report of the Africa Progress Panel, June 2008; or *Achieving the Millennium Development Goals in Africa: recommendations of the MDG Africa Steering Group*, June 2008.

unemployment and a shortage of skills. Currently, in sub-Saharan Africa over 20 per cent of young people are unemployed.[2]

13. Although the international community has provided support for Africa's development, this assistance needs to be made more effective. In some cases, support programmes have not been adequately tailored to the needs and specificities of individual African countries. This has caused considerable strain on existing economic, social and political structures, as well as Africa's financial and human resources. These sectoral-level stresses were, in certain instances, intensified by macroeconomic structural adjustment programmes and their associated conditionalities which may have overly emphasized adjustment over development and social priorities, resulting in lower than expected rates of economic growth, industrialization and development.

III. Commitments and state of implementation

14. Efforts by African States and institutions and by the international community towards meeting Africa's development needs have varied widely in terms of quality, quantity and effectiveness. At the midpoint of the campaign to achieve the Millennium Development Goals, critical reflection is appropriate and timely. In the following sections, progress on the implementation of the major commitments towards Africa's development needs is reviewed.

A. Plans of action and progress by African States and institutions

15. In July 2001, the thirty-seventh Assembly of Heads of State and Government of the Organization of African Unity formally adopted NEPAD as an integrated socio-economic development framework for Africa. NEPAD centres on African ownership and reflects African leaders' common vision and shared commitment to eradicating poverty and to placing their countries, both individually and collectively, on the path to sustainable growth and development. It also seeks to promote the role of women in all activities. More fundamentally, NEPAD was designed as the policy framework for achieving the Millennium Development Goals in Africa. The notion of partnership embedded in NEPAD is one of the strengths of the initiative. NEPAD places emphasis on collaboration between African Governments and their development partners, and between the Governments and their peoples, including the private sector and civil society. As a programme of AU, NEPAD establishes the conditions for sustainable development by ensuring peace and security, building democracy and good governance; engendering policy reforms and increased investments in priority sectors; and mobilizing resources for implementation.

16. As a programme of AU the underlying objectives of NEPAD are fourfold: first, to eradicate poverty in Africa and to place African countries on a path of sustainable growth so that the marginalization of the continent in the globalization process is halted; second, to promote the role of women in all activities; third, to achieve and sustain an average GDP growth rate of over 7 per cent per annum for the next 15 years; and finally, to ensure that the continent achieves the Millennium

[2] See Economic Commission for Africa and African Union, *Economic Report on Africa 2005: Meeting the Challenges of Unemployment and Poverty in Africa*, 2005.

Development Goals. These commitments were reiterated at the NEPAD Review Summit held in Dakar, in April 2008.

17. The commitment to poverty eradication was strengthened with the adoption in 2004 of the Ouagadougou Declaration and Action Plan on Employment and Poverty Alleviation in Africa. The 23 commitments set out in the Declaration include a pledge to develop integrated economic and social policies and effective reforms at national, regional and continental levels to address structural constraints to investment and entrepreneurship, promote private-public partnerships, encourage corporate social responsibility, and create an enabling environment for increased production and decent employment opportunities.

18. The commitments of African Governments to the promotion of the role of women have been expressed, inter alia, in the 1994 Dakar Platform for Action, the Constitutive Act of the African Union, the 2003 Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa, the Solemn Declaration on Gender Equality in Africa of 2004 and the ongoing formulation of the African Union gender policy. However, only 23 countries have ratified the 2003 Protocol. Moreover, while the Solemn Declaration commits States to include the participation and representation of women in peacekeeping processes, implementation of the commitment has been rather limited. African States need to redouble their efforts to integrate the gender provisions into their national policies and expeditiously narrow the gender gap.

19. Africa has experienced record economic growth for the last four years. According to the *Economic Report on Africa 2008*,[3] in 2007 the continent registered 5.8 per cent GDP growth. Since 1994, Africa's growth has averaged nearly 5.0 per cent, considerably higher than the rate of less than 2 per cent that prevailed in the 1980s.[4] Nevertheless, African economies are still far from attaining the ambitious 7 per cent estimated growth threshold for meeting NEPAD objectives. Many African countries have made progress on poverty recently, with the proportion of the population in sub-Saharan Africa earning less than US$ 1 per day falling from 45.5 per cent in 1993 to 41.1 per cent in 2004, for instance.[5]

20. The slow rate of overall progress in attaining the Millennium Development Goals is a serious cause for concern. The first joint meeting of the AU Conference of Ministers of Economy and Finance and the ECA Conference of African Ministers of Finance, Planning and Economic Development in March/April 2008 acknowledged that the main constraints include delays in the implementation of national development plans and strategies and mobilization of adequate resources to scale up investments in key sectors for achieving the Millennium Development Goals. In the Ministerial Statement adopted by the joint meeting, African countries reaffirmed their commitment to the full and timely realization of the Millennium Development Goals and called on their development partners, including the United Nations system, to support these efforts through enhanced financial and technical assistance. The joint meeting also identified key priorities and concrete actions to be taken in meeting the Goals, particularly in such areas as industry, climate change mitigation, infrastructure development and financing for development.

---

[3] Economic Commission for Africa and African Union, *Economic Report on Africa 2008: Africa and the Monterrey Consensus: Tracking Performance and Progress*, 2008.

[4] Derived from World Bank, *World Development Indicators Online*, 2008.

[5] World Bank, *World Development Indicators Online*, 2007.

21. NEPAD has identified strategic priority areas of action in agriculture, infrastructure, good governance, investment, health and education. In agriculture, commitments include: the 2003 Comprehensive African Agriculture Development Programme framework calling for 6 per cent agricultural growth rates; the 2003 Maputo Declaration on Agriculture and Food Security in Africa calling for 10 per cent of public expenditure to be devoted to agriculture and rural development by 2008; the 2004 Sirte Declaration on the Challenges of Implementing Integrated and Sustainable Development in Agriculture and Water in Africa, which contains 25 ambitious commitments including a reaffirmation of the ones made through the Programme and in the Maputo Declaration; and the 2006 resolution of the Abuja Food Security Summit. Progress is being made in implementing the Comprehensive African Agriculture Development Programme framework with the conclusion of regional compacts through the regional economic communities (RECs). Also, in the context of the current food crisis, AU/NEPAD adopted in March 2008 an ambitious Framework for African Food Security which encompasses immediate, medium-term and long-term priorities to increase food supply. The latest AU figures show that only six countries have reached the Maputo target of 10 per cent of the national budget allocated to agriculture. Similarly, according to AU, only 11 countries have fulfilled the commitment on agriculture growth rates contained in the Comprehensive African Agriculture Development Programme.

22. In the area of infrastructure, the major commitments were expressed in the NEPAD blueprint, which proposes a programme that includes increased investment both in maintenance and in new infrastructure, new regulatory frameworks and the promotion of public-private partnerships. The implementation of these commitments has been mixed. On the positive side, coordination has improved at the national level and for cross-border projects. Indeed, many countries have prepared strategic frameworks for road transport. In addition, in 2005, African countries and institutions supported the establishment of the Infrastructure Consortium for Africa, which will strengthen the NEPAD Short-Term Action Plan and the Medium- to Long-Term Strategic Framework. Furthermore, a Coordination Mechanism for the Development of Infrastructure in Africa was adopted in 2006 by AU, NEPAD, regional economic communities and the African Development Bank, in order to forge a common agenda for the promotion of Africa's infrastructure development. Nevertheless, constraints exist. According to the MDG Africa Steering Group, the continent has tangible limitations in transformational energy generation projects, including large-scale hydropower and transmission networks, and in infrastructure maintenance.

23. The AU commitments to good governance have been expressed on several occasions, commencing with the 2000 Lomé summit of the Organization of African Unity, which adopted the AU Constitutive Act, and the AU inaugural summit in Durban, South Africa, in 2002. African States have also adopted governance initiatives, including the 2001 NEPAD blueprint for conditions for sustainable development in Africa; the 2002 Declaration on Democracy, Political, Economic and Corporate Governance; the 2003 African Union Convention on Preventing and Combating Corruption; the Protocol to the African Charter on Human and People's Rights, which came into force in 2004; and the 2007 African Charter on Democracy, Elections and Governance. In the NEPAD programme, African States specifically pledged to reform administrative and civil services, strengthen parliamentary

oversight, promote participatory decision-making, adopt effective measures to combat corruption and undertake judicial reforms.

24. African States have established the African Peer Review Mechanism, a self-monitoring instrument to promote good governance in the continent. The programme benefits from strong technical and financial support from its strategic partners, ECA, UNDP and the African Development Bank. To date 29 countries have acceded to the African Mechanism, 14 have established national self-assessment structures and 7 have been peer-reviewed (Algeria, Benin, Ghana, Kenya, Rwanda, South Africa and Uganda). Although the Mechanism should be commended for its credibility and rigour, some limitations still exist. First, it needs a stronger connection to two key constituencies: the citizens in whose name it is being undertaken, through outreach by Government, media and civil society, and to the wider African and international community. Second, the political will may be lacking in certain African countries to act upon the recommendations drawn up by the African Mechanism to ensure that the extraordinary opportunities created by the Mechanism are not missed. The peer-review exercise needs to be followed up with concrete political actions. Greater awareness of the Mechanism and its process among both civil society and the private sector would increase pressure on Governments to deliver on promises and plans. There is, therefore, a need for these actors to engage in an active dialogue and to take a proactive role in the implementation of the Mechanism and of NEPAD in general.

25. Creating a conducive environment for private-sector investment is crucial for sustainable growth and development. The NEPAD blueprint underlines the importance of increasing private capital flows to Africa and identifies priorities including efforts to address misperceptions of risk, building private-public partnerships and deepening capital markets. Another concrete action taken to develop the private sector is the decision by AU at the 2005 Abuja summit to institutionalize the African Private Sector Forum. This important platform for dialogue between the private sector and policymakers provides an opportunity for actors to exchange views on ways to enhance business activities. The report of the MDG Africa Steering Group of June 2008 also highlights the private sector as an essential contributor to the achievement of sustained growth and the Millennium Development Goals through its core function of creating economic value, delivering targeted investments and services through public-private partnerships, and providing critical co-financing in infrastructure and other public investments. According to the World Bank and the International Finance Corporation, many African countries have implemented important reforms such as simplifying business regulations, strengthening property rights, easing tax burdens, increasing access to credit and reducing the cost of exporting and importing. As a result, the "cost of business start-up procedures" as a percentage of gross national income (GNI) per capita has fallen from 260.1 in 2003 to 148.1 in 2007.[4] Remarkable increases in net private capital flows have been recorded, including foreign direct investment (FDI), commercial bank debt and portfolio flows, from $13 billion in 2002 to over $60 billion in 2006. Though still small in comparison to other regions, net inflows of FDI as a percentage of GDP have increased from 0.1 in 1980 to 2.0 and 2.4 in 2000 and 2006, respectively.[4]

26. African countries have also made important commitments in the health sector. First, they have pledged to increase health budgets to 15 per cent of public expenditure. This goal was set out in the 2001 Abuja Declaration on HIV/AIDS,

Tuberculosis and Other Related Infectious Diseases, followed up by the 2003 Maputo Declaration on HIV/AIDS, Tuberculosis, Malaria and Other Related Infectious Diseases, and reaffirmed by the AU health ministers at the Abuja summit in 2006. To date, however, only six countries have reached this goal. Second, in the Abuja Declaration African Governments expressed their commitment to making the fight against HIV/AIDS a top priority of national development. There is a positive record in this regard: most of the African countries have set up national authorities to coordinate the fight against HIV/AIDS and have introduced a strategic framework of action, a third have created national monitoring and evaluation systems and 43 per cent have set up coordinating authorities at a subnational level. Moreover, the Abuja Declaration commits States to introduce a national strategy for tuberculosis. To date, 18 countries have declared tuberculosis a national emergency and implemented special action plans to accelerate control. Finally, the 2000 Abuja Declaration and the Plan of Action on Roll Back Malaria include the commitment of African leaders to catalyse actions at the regional level to ensure implementation, monitoring and management of Roll Back Malaria, a programme launched in 1998 by the World Bank and various United Nations agencies. However, progress has been slow in establishing regional policies to fight malaria and according to the World Health Organization (WHO) between 700,000 and 1.3 million people die of malaria every year in sub-Saharan Africa.[6] These commitments have been incorporated into the recent AU Health Strategy 2007-2015, whose objective is to contribute to Africa's socio-economic development by improving the health of its people by 2015.

27. Education is another key priority within the continent, reflected in the adoption of the two action plans on the first (1997-2006) and Second (2006-2015) Decades of Education for Africa. The evaluation by AU of the first Decade, which focused on equity and access to basic education; quality, relevance and effectiveness of education; complementary learning modalities; and capacity-building, revealed that most of the goals set in the action plan were not achieved. For the Second Decade of Education, the action plan makes bolder commitments, including developing functional national educational management information systems, raising educational achievement (access, quality, efficiency, relevance) and attaining full gender equality in primary and secondary education. According to the plan, the regional economic communities shall evaluate each country plan for alignment with the continental plan and shall also monitor implementation of country plans.

B. Commitments and progress by the international community

28. As African leaders have articulated, the primary responsibility for Africa's development rests with Africans themselves. Their efforts have, however, been strongly supported by international partners. NEPAD and the Millennium Development Goals provide the shared blueprints around which African countries, together with the United Nations, international development partners and South partners, have aligned their efforts to advance Africa's development. This section discusses the role these international partners are playing to address the continent's needs, in conjunction with Africa's Governments.

[6] WHO, *The Africa Malaria Report 2006*.

United Nations support to Africa's development

29. The contribution of the United Nations to African development ranges from policy research and analysis to the provision of various forms of financing, support, technical assistance, capacity- and institution-building, advocacy and humanitarian relief. Over the years, the United Nations has focused its contribution to Africa's development needs on two priority areas of action: support to NEPAD and the Millennium Development Goals.

United Nations support to the African Union and its NEPAD programme

30. The terms of the commitment of the United Nations to NEPAD are laid out in General Assembly resolution 57/7 in which the United Nations pledges to support the implementation of NEPAD through a variety of actions including enhanced advocacy, technical cooperation for capacity-building, mobilization of resources, monitoring and reporting of development activities and strengthened coordination in the delivery of the programmes. Building on these commitments over the years, the United Nations has shown strong resolve to support NEPAD, as demonstrated by the alignment of its priorities with those of NEPAD, the provision of technical and financial support for the development of various New Partnership for Africa's Development projects and the initiation of the Regional Consultations Mechanism. The Mechanism was established in 2002 to coordinate United Nations system-wide support to NEPAD at the regional and subregional levels. ECA is the strategic coordinator of the Mechanism and the convener of the annual regional consultation meetings. The Mechanism is organized around nine thematic clusters covering the priority areas of NEPAD. Since the 2003 Maputo Declaration on the integration of NEPAD into the structures and processes of AU, United Nations support for African development has reflected AU priorities.

31. The Regional Consultations Mechanism process is a compelling architecture of cooperation. In the last several years, coordination of the clusters has improved and the focus of cluster activities has sharpened. In addition, there is increased participation by the AU Commission, the NEPAD secretariat, the African Development Bank and regional economic communities in the Regional Consultations Mechanism. The AU Commission and the NEPAD secretariat now co-chair meetings of RCM and clusters. However, the Mechanism's cluster system needs to be refined and further aligned with AU programmes and priorities. Furthermore, the cluster system needs to mainstream adequately the gender, health, culture and regional integration priorities of AU and its NEPAD programme. In terms of accountability, the Mechanism needs to enhance the implementation of recommendations and to systematically monitor and evaluate outcomes and their impacts. There is a need for increased commitment and institutional leadership at the highest level, as well as the provision of sufficient dedicated resources. The secretariat, located at ECA, also needs to be strengthened. Nevertheless, overall, the Regional Consultations Mechanism process is an effective architecture to support AU and its NEPAD programme. Its cluster nature is a tangible indication of the efforts of the United Nations to coordinate its support in a manner coherent with the AU priorities. Work is currently ongoing to enhance the function of RCM with a view to accelerating the implementation of NEPAD and the cooperation programme between the United Nations and the African Union.

32. The 10-year capacity-building programme, signed in 2006, between the African Union and the United Nations provides the appropriate framework for the United Nations to assist in building the capacity of the African Union. It reflects their joint commitment to further solidify the already productive partnership between the two organizations.

33. At the global level, the Office of the Special Adviser on Africa strategically coordinates global advocacy and support for NEPAD. The Office marshals increased international support and improved coherence and coordination of United Nations system support to Africa. More generally, it raises international awareness of Africa's development needs.

Internationally agreed development goals

34. The internationally agreed development goals and the Millennium Development Goals provide a globally endorsed framework to address the four crises facing Africa through the pursuit of sustainable development. Since their articulation at the 2000 Millennium Summit of the United Nations, the Millennium Development Goals have become the world's agreed time-bound and quantified sustainable development targets aimed at addressing extreme poverty in its many dimensions — income poverty, hunger, disease, lack of adequate shelter and exclusion — while promoting gender equality, education and environmental sustainability. They also embody basic human rights: the rights of each person on the planet to health, education and security. Together with the other internationally agreed development goals, the Millennium Development Goals represent an ambitious, but feasible, guide for domestic and international efforts to alleviate extreme poverty in Africa by 2015. The Millennium Development Goals are Africa's goals and they are the world's goals. In the 2005 World Summit Outcome, Member States and the United Nations demonstrated their commitment to ensure the full and timely realization of the Goals. On numerous subsequent occasions, the United Nations and Member States have underlined their aim to galvanize international support for the Goals. The Millennium Development Goals have also been incorporated in the NEPAD treaty and the African Peer Review Mechanism. Indeed, they form the basis of almost all poverty reduction strategy papers, although many of these set objectives that go further than the Millennium Development Goals.

35. Implementation remains the key challenge in translating poverty reduction strategies into real progress on the Millennium Development Goals. The United Nations system has sought to support African countries' efforts to implement their poverty reduction strategies through a variety of means. Little debate remains over key concepts, but the aid still is deficient. The challenge is now follow-through and ensuring coherence among various initiatives.

MDG Africa Steering Group

36. To galvanize support in achieving the Millennium Development Goals in Africa, the Secretary-General launched the MDG Africa Steering Group in September 2007. The main objectives and commitments of the Steering Group are first, to draw up practical proposals to complement and support the activities related to the Millennium Development Goals by quantifying assistance needs, strengthening international mechanisms, resolving bottlenecks in existing

mechanisms and filling gaps; second, to identify practical steps to improve aid predictability; third, to enhance support at the country level towards improving policies for scaling up interventions to achieve the Millennium Development Goals; and fourth, strengthening the statistical capacities of African countries to monitor progress. The Group, which features an unprecedented level of collaboration among the leaders of the international development community engaged in Africa, has recently agreed on a set of concrete recommendations which, if fully implemented, could effectively advance Africa's development.

37. The endorsement of the Steering Group's recommendations by the AU Assembly of Heads of State and Government held in Sharm El-Sheik, Egypt, on 30 June and 1 July 2008, represents an important milestone towards the implementation of an effective action plan for the achievement of the Millennium Development Goals in Africa. The Secretary-General invites all development partners to contribute to their effective implementation.

38. *The Millennium Development Goals Report 2007* published by the United Nations indicates that progress in the majority of countries in Africa is off track for achievement of the Goals by 2015. While the proportion of people living on US$ 1 dollar a day or less has declined from 45.9 per cent of Africa's populace in 1999 to 41.1 per cent in 2004,[5] achievement of Goal 1, which calls for extreme poverty to be cut in half by 2015, requires that the current pace of poverty reduction be nearly doubled. Although economic growth since 1995 has been considerable in Africa, this varies considerably across countries. For example, some 26 African countries, representing 78 per cent and 70 per cent of sub-Saharan Africa's GDP and population, respectively, experienced an average annual GDP growth of 6.9 per cent over the last decade.[7] Yet one third of African countries achieved average growth of only 2.1 per cent over the same period.[8]

39. African economies are expected to grow by an average of 6.2 per cent in 2008,[3] in spite of a slowing world economy. However, attaining the Millennium Development Goals would require that the high growth be sustained, while concurrently improving the rate at which the growth is transformed into human development. The primary responsibility for achieving the Goals, as reflected in the MDG Africa Steering Group report, remains with African Governments, which are putting in place comprehensive programmes. Their leadership is fundamental to overcoming the major impediments to attaining the Millennium Development Goals, such as climate change, infrastructure bottlenecks and rising inequality.[3] The special circumstances of post-conflict economies require particular attention.[9] These difficulties should not, however, overshadow the fact that a number of African countries are indeed on track to meet some of the Millennium Development Goals.

40. Notwithstanding dramatic increases in the number of school-age children, universal primary education enrolment rates have increased substantially, from 57 per cent in 1999 to 70 per cent in 2005, largely in response to policy measures, such as free primary education policies, school feeding programmes and capitation grants, aimed at reducing financial barriers to education. However, educational

[7] Derived from World Bank, World Development Indicators database.

[8] World Bank and International Monetary Fund, *Global Monitoring Report 2008: MDGs and the Environment*, 2008.

[9] See *Post-Conflict Economies in Africa*, A. K. Fosu and P. Collier (eds.) (New York: Palgrave Macmillan, 2005).

quality has suffered as investments in education-related inputs, including infrastructure, human resources training and retention, have lagged behind the pace of enrolment. Thus, there is a need to intensify efforts to improve both education enrolment and quality.

41. In terms of gender equality, the share of parliamentary seats held by women in Africa has increased significantly, from 7 per cent in 1990 to 17 per cent in 2007. Yet, the share of women in non-agricultural wage employment has increased only from 28 to 32 per cent from 1990 to 2005.

42. Child mortality rates dropped from 185 per 1,000 live births in 1990 to 166 per 1,000 in 2005, well short of the objective of a two-thirds reduction by 2015. However, the proportion of 1-year-old children immunized against measles in sub-Saharan Africa has risen significantly from 49 per cent in 1999 to 64 per cent by the end of 2005. In North Africa progress is even more noteworthy, the proportion increasing from 85 per cent in 1990 to 95 per cent in 2005.

43. Particularly worrying are the 1:16 odds that a sub-Saharan African woman will die from complications of pregnancy and childbirth during her life, compared to 1:3,800 in the developed world. The proportion of births attended by skilled health personnel in sub-Saharan Africa has increased minimally, from 42 per cent in 1990 to 45 per cent in 2005, though the rate of increase in North Africa has been remarkable — from 40 per cent to 75 per cent — during the same period.

44. The continent is lagging behind on the objective of combating HIV/AIDS, malaria and other diseases. The number of people living with AIDS in Africa in 2007 was estimated to be between 21 and 24 million. Every year, there are an estimated 1.7 million new infections. Southern Africa is a particularly hard-hit area. It has 65 per cent of all HIV/AIDS cases in the world and in some countries over 20 per cent of the population is infected. However, three African countries have achieved universal access to antiretroviral treatment.

45. Regarding environmental sustainability, only 42 per cent of the people in rural areas had access to clean water in 2004 and 63 per cent of the entire population lacked access to basic sanitation facilities. The continent is still far from the target of cutting this proportion in half by 2015. Also, with the rapid extension of cities, 62 per cent of the African urban population lives in slum conditions, the world's largest proportion.

46. Finally, Goal 8 calls for the development of an open, rule-based, predictable, non-discriminatory trading and financial system. The full assessment of Goal 8 is presented in section III.B below on commitments and progress by the international community.

System-wide coherence

47. The complex nature of the development problems facing Africa requires a harmonized and coordinated effort by the various funds, programmes and specialized agencies of the United Nations system in the region. This need for a comprehensive response to global poverty was the primary message conveyed by the United Nations Millennium Declaration. The report of the Secretary-General's High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment (see A/61/583) also called for a coherent development system which would unify and integrate the work

of the Organization. The pre-evaluation in 2008 of the "Delivering as one" pilot programmes, a strategy that calls for simplification and harmonization of all United Nations activities devoted to each country in one country programme and one budgetary framework, shows that national ownership and leadership are being strengthened and alignment with national policies and strategies is more explicit. Of the eight pilot programmes under "Delivering as one", one half are in Africa (Cape Verde, Mozambique, Rwanda and the United Republic of Tanzania). Meanwhile, the Regional Consultations Mechanism, involving United Nations agencies and organizations working in Africa, provides a framework for "delivering as one" at the regional and subregional levels in support of the African Union and its NEPAD programme.

48. Although the United Nations is on the right track to deliver on the promises made by the United Nations Millennium Declaration, there is still a long road ahead. There is a tendency in the United Nations to support a proliferation of Africa-related activities which creates incoherence and sub-optimal use of scarce resources. For example, more than 30 United Nations organizations deal with the crucial issue of sustainable development and at least three major organizations focus on agriculture and food security. There is certainly a need for rationalization and coordination of these activities for maximum efficiency, effectiveness and sustained impact.

International development partners

49. The 2000 United Nations Millennium Declaration included a section on Africa's development needs, wherein Member States pledged to assist African Governments in their struggle for lasting peace, poverty eradication and sustainable development. Two years later, in Johannesburg, South Africa, participants in the World Summit on Sustainable Development agreed on a wide range of bold commitments and implementation plans in areas such as water and sanitation, energy, health, agriculture, and biodiversity and ecosystem management. Also in 2002, the International Conference on Financing for Development, held in Monterrey, Mexico, became the major reference point for international development cooperation. The 2005 World Summit Outcome similarly reaffirmed the international community's commitment to address the special needs of Africa and called for timetables to implement scaled-up development assistance. Since the Group of 8 summit in Kananaskis, Canada, in 2002, where development partners adopted the Africa Action Plan, the special needs of the continent have featured in all annual Group of 8 summits. In 2003, the Group of 8 also agreed to establish the Africa Partnership Forum, tasked with monitoring implementation of their commitments, as well as those made by other donors and African Governments themselves.

50. The following section reviews and assesses the progress of the major commitments made by the international community in the following four areas: (a) international development assistance; (b) debt relief and debt cancellation; (c) trade liberalization and aid for trade; and (d) peace and security. The development of the continent presupposes a multifaceted and integrated approach. These four avenues are critical to accomplishing that objective.

International development assistance

51. The aid system today is characterized by stronger national ownership, expanded use of national capacity, increased use of budget support and some limited predictability in aid flows. Official development assistance (ODA) is increasingly performance based and results oriented. In addition, non-State actors such as private foundations, international NGOs and new bilateral donors have gained considerable influence. This new context was promoted in the United Nations Millennium Declaration, which pledged to create an environment conducive to development and to the elimination of poverty. It was materialized later by the deliberations of three landmark conferences. First, in 2002, States adopted the Monterrey Consensus on Financing for Development, which identifies the means for ensuring the availability of sufficient financial resources to reach the goals set by the major United Nations conferences and summits. Second, in 2003, heads of development institutions adopted the Rome Declaration on Harmonization, which commits participating institutions to simplifying and harmonizing their requirements as well as reducing associated costs, while improving fiduciary oversight and public accountability and enhancing the focus on concrete development results. Finally, the 2005 Paris Declaration on Aid Effectiveness committed the signatories to continuing their efforts towards improving harmonization and alignment. Given this background, a review of the main commitments and an assessment of their implementation is fundamental. The current report focuses on three pivotal areas: financing for development, quantity of aid and quality of aid.

52. On financing for development, according to the *Economic Report on Africa 2008*,[3] the evidence on implementation of the Monterrey Consensus commitments suggests that substantial progress has been made in the area of external debt relief (see below). However, there has been very limited progress in such areas as mobilizing both domestic and international financial resources for development, promoting international trade as an engine of development, increasing international financial and technical cooperation for development and addressing systemic issues. As the Secretary-General observed in his report on the follow-up to and implementation of the Monterrey Consensus (A/62/190), remittances have become an increasingly important source of finance for heavily indebted poor countries. In 2006, recorded remittances in Africa reached $22 billion, equivalent to about one half of ODA to the region. While important, they do not support the public investments needed to reach the Millennium Development Goals.

53. Aid to Africa increased from 1960 to reach a first peak in 1990 of $33.4 billion (at 2005 prices and exchange rates). However, the share of aid to Africa in the 1990s declined, before picking up again after 1999, as Africa became the focus of the international donor community. According to OECD, aid to Africa rose to about 41 per cent of total aid in 2006, reaching a record $43.4 billion and representing an increase of $6.9 billion in real terms over 2005 levels and a nominal $12.4 billion increase over 2004 amounts. Most of the increase was, however, due to debt relief. ODA, net of debt relief, rose by 8 per cent between 2005 and 2006 compared with the 41 per cent increase in non-adjusted aid inclusive of debt relief. Despite this upward trend in ODA, donors are falling behind their commitments. According to OECD, donors "will need to achieve unprecedented increases"[10] in order to deliver

[10] Statement from the OECD-DAC issued in April 2008, cited in *Africa's Development: Promises and Perspectives*, p. 15.

on the commitment made at the G-8 summit at Gleneagles, United Kingdom, in 2005 to more than double aid to Africa in real terms. This emblematic initiative was recognized by the High-level Panel on Financing for Development, the Monterrey Consensus, the reports of the United Nations Millennium Project, the report of the Commission for Africa,[11] and the 2005 World Summit. The 2005 Group of 8 summit agreed most emphatically to double ODA to Africa by 2010 which, according to OECD and the MDG Africa Steering Group, presupposes raising aid flows from $29 billion in 2004 to $54 billion in 2010 (at constant 2004 prices). At 2007 prices and exchange rates, this comes to about $62 billion. With the further decline in the United States dollar in 2008 the Gleneagles commitment would now be worth even more in nominal terms, which makes the extra effort that will be required to achieve the Gleneagles commitment in 2010 that much more substantial.

54. The Monterrey Consensus also reaffirmed the target, first articulated in 1970, to raise aid volumes to the equivalent of 0.7 per cent of donors' GNI. The 2005 World Summit Outcome called upon countries to identify timetables for reaching this goal. In the European Consensus on Development, adopted in 2005, the European Union (EU) agreed to a collective interim target of ODA equivalent to 0.56 per cent of GNI by 2010 and a long-term target of ODA equivalent to 0.7 per cent of GNI by 2015. In the same document, EU promised to increase its financial assistance to sub-Saharan Africa and to provide at least 50 per cent of the increase of ODA resources to the continent. It also emphasized that the least developed countries and low-income countries would be given priority in terms of overall resource allocations under the Programme of Action for the Least Developed countries for the Decade 2001-2010. Despite its commitments, EU aid decreased slightly, from 47.7 billion euros (€) in 2006 (corresponding to 0.41 per cent of EU GNI) to €46 billion in 2007 (equivalent to 0.38 per cent). Currently, five countries meet the 0.7 per cent target. EU is, however, broadly on track to achieve its ODA commitments, especially those directly focused on Africa. In 2006, EU gave 62 per cent of its bilateral, regionally allocated aid to Africa, up from 51 per cent in 2005, and it provided more than one half of the global aid flows to the region.

55. There are, however, lags in the implementation of the landmark commitments on aid quality, effectiveness and coordination made in the Rome and Paris Declarations. The pledges were reaffirmed by the Group of 8 at the Gleneagles summit, including enhancing efforts to untie aid. A major factor often cited as contributing to aid ineffectiveness is indeed the lack of coherence among the various objectives of the numerous donors, and a failure to reconcile these with the needs, priorities and preferences of the countries receiving assistance.[12] The sectoral distribution of aid is also greatly influenced by donors' preferences and the different criteria applied to them. According to the latest OECD figures, only 42 per cent of country aid flows were aligned to the national priorities of developing countries in 2006, 41 per cent of aid was released according to agreed schedules, 18 per cent of aid was still tied and only 35 per cent of aid was programme based.[13] EU is,

[11] *Our Common Interest: Report of the Commission for Africa*, March 2005.

[12] United Nations Conference on Trade and Development (UNCTAD), *Economic Development in Africa: Doubling Aid, Making the "Big Push" Work* (United Nations publication, Sales No. E.06.II.D.10).

[13] Organization for Economic Cooperation and Development, *2006 Survey on Monitoring the Paris Declaration: Overview of the Results*, also published as *OECD Journal on Development*, vol. 8, No. 2 (2007).

however, well placed to meet all Paris commitments by 2010. In 2007, EU adopted a Code of Conduct on Division of Labour in Development Policy with 11 guiding principles, which is meant to reduce overlap by donors across and within countries.

56. Owing to the shift in the allocation of aid over the years, away from productive activities in favour of social sectors, there is a need to ensure that the recent emphasis on the social sectors does not lead to a neglect of infrastructure and productive sectors, which are important to stimulate growth, generate employment and reduce poverty. Concerning mutual accountability, there is concern in the African region that while Governments have strengthened their accountability to donors, they need to be more accountable to their domestic constituents; this undermines genuine national ownership of the development process. Finally, recent flows to Africa are concentrated in a few countries and the recent increase of ODA is not evenly distributed.

Debt relief and debt cancellation

57. The Heavily Indebted Poor Countries (HIPC) Initiative was launched in 1996 by the World Bank and IMF and later enhanced to provide debt relief to low-income countries in order to reduce external debt repayments to sustainable levels. The international community has since adopted key commitments on debt relief and debt cancellation for African countries that extend this support further. The United Nations Millennium Declaration included a commitment to cancel all official bilateral debts of heavily indebted poor countries in return for their demonstrable commitments to poverty reduction. At Gleneagles, the Group of 8 agreed to cancel all debts owed by eligible heavily indebted poor countries to the International Development Association (IDA), IMF and the African Development Fund. To realize this objective, Governments agreed to supplement the enhanced HIPC Initiative with the Multilateral Debt Relief Initiative (MDRI) under which eligible IDA, IMF and the African Development Fund debt are cancelled when countries reach their enhanced HIPC completion point. As highlighted by the World Summit Outcome and the report of the Secretary-General on recent developments in external debt (A/62/151), debt sustainability is essential for growth and to free resources for the achievement of national development goals, including the Millennium Development Goals.

58. Notable progress has been achieved in recent years on debt relief. As of July 2008, 19 African countries had reached their enhanced HIPC completion points, 8 remained in the interim period between the decision and completion points, and 6 countries had not yet reached their decision points. In addition, the Group of 8 proposal to cancel multilateral debts is on track and, at present, 19 African countries have received MDRI debt reductions. Consequently, Africa's official debt to Governments and multilateral institutions declined to $144.5 billion in 2007 from $205.7 billion in 1999. However, private debt owed to banks and other private creditors by African nations rose from $92.4 billion in 1999 to $110.2 billion last year. Despite the noteworthy record on debt relief so far, African countries are still justifiably concerned that the slow progress of some countries towards their enhanced HIPC completion points underscores the need for increased international support for the implementation of poverty reduction strategies and streamlined conditionality in the application of completion-point triggers. Extended enhanced HIPC interim periods also highlight the need for creditors to provide additional interim flow relief to debtor countries as expeditiously as possible, and the urgent

need to ensure that all creditors, especially private creditors, deliver on their burden-sharing obligations. Otherwise, enhanced HIPC countries will be limited in their ability to free resources for vital development projects.

Trade liberalization and Aid for Trade

59. The Doha Round of multilateral trade negotiations, dubbed the "Development Round", stands at a critical juncture. With the target date initially set for the end of 2007 and later postponed, the Round has been punctuated by clear divergences of interests among the 151 members of the World Trade Organization (WTO). At the 2005 World Summit, Member States pledged to promote a universal, rule-based, open, non-discriminatory and equitable multilateral trading system under goal 8. They also committed themselves to implement the development dimensions of the Doha work programme. At Gleneagles in 2005, G-8 also pledged to work with greater urgency to bring the WTO negotiations to a close by 2006, with substantial reductions in trade-distorting domestic support and improvements in market access. At the 2006 summit in St. Petersburg, Russian Federation, G-8 countries also agreed to reduce domestic support for agriculture and eliminate all forms of agricultural export subsidies by 2013, subject to successful conclusion of the Doha Round. In practice, however, this has been difficult to accomplish. The Sixth Ministerial Conference of WTO held in December 2005 in Hong Kong, China, failed to reach agreement on liberalization modalities on agriculture and non-agricultural market access, despite modest progress attained in some areas. Although 2007 saw some progress in negotiations, the completion of the Round requires an agreement in early autumn 2008 on modalities for reducing agricultural tariffs and subsidies as well as industrial tariffs, and a commensurate level of progress in all other areas as part of a single undertaking. From the perspective of African countries, the negotiations still have to deal conclusively with the twin issues of sensitive and special products in the agriculture chapter. Altogether, since 2001, EU, the United States, Japan and Canada have spent more than $750 billion on agricultural subsidies. There is thus still a long way to go before reaching the 2013 target.

60. In December 2005, the Sixth Ministerial Conference in Hong Kong, China, also created a new WTO work programme on Aid for Trade. A task force produced a set of recommendations, endorsed in 2006, that gave a monitoring role to WTO. These initiatives were a follow-up to the commitment made by the Group of 8 at Gleneagles in 2005 to increase assistance to developing countries to build the physical, human and institutional capacity to trade, including through trade facilitation measures. In particular, the Group of 8 anticipated expenditure on "Aid for Trade" in developing countries to increase to $4 billion by 2010. In the follow-up to these commitments, in 2008, WTO adopted an Aid for Trade road map, which sets objectives on increasing developing country ownership of aid for trade; shifting emphasis to monitoring implementation, with a focus on country, regional and sectoral priorities; and launching a work programme to develop performance indicators and strengthen self-evaluations. The Aid for Trade progress review that was jointly organized by ECA, the African Development Bank, and WTO in the United Republic of Tanzania in November 2007 concluded that Africa's economic systems are often not competitive, making it harder to export reliably, efficiently and competitively into global markets. Adverse geography is often compounded by fragmented infrastructure, inefficient institutions, over-regulation, unreliable supply chains and a weak services sector.

61. According to OECD, the Group of 8 spent a combined $1,130,000,000 on Aid for Trade in sub-Saharan Africa in 2005, of which $845 million were allocated to infrastructure and $285 million to trade policy, regulations and trade development. This represents an increase of Aid for Trade spending in Africa by 39 per cent from its 2004 level of $814 million. Although the Group of 8 seems to be on track to meet its 2010 target, its initial commitment is far from sufficient to meet the current trade-related technical assistance needs of Africa. For example, the 2008 report of the MDG Africa Steering Group estimates that $52.2 billion per year will be required in public and private investment finance to resolve the critical infrastructure bottlenecks in Africa.

62. Regional cooperation and integration among developing countries has the potential to support national development strategies and fill some of the gaps in the global economic governance system. African leaders have thus committed themselves to establishing a continent-wide economic and monetary union by 2028. Progress has been slow, however. According to the 2007 audit of AU, regional economic communities, which are expected to serve as building blocks in the integration process, have been constrained by a number of factors, particularly overlapping memberships, insufficient cooperation between regional economic communities and lack of coordination and harmonization at the continental level. Currently, intraregional trade accounts for less than 10 per cent of the continent's total external trade. This situation is now complicated by the economic partnership agreements being negotiated between groupings of African countries with EU. The fact that interim Agreements have been signed with individual African countries and also with groups of African countries without paying particular attention to existing regional economic communities will slow down or unravel the regional integration agenda in the continent. As a result, increased attention is needed to ensure that bilateral trade agreements do not undermine regional and multilateral trade liberalization and enhanced market access for African countries.

Peace and security

63. The Treaty establishing the African Economic Community, signed in Nigeria in 1991, argues that the promotion of a peaceful environment is a prerequisite for economic development. The international donor community has pledged technical and financial resources to assist African Governments in their commitments to eradicate violent conflicts. In 2002, the G-8 Kananaskis summit adopted an Africa Action Plan containing the commitment to provide technical and financial assistance to the African peace and security architecture. The Plan was reiterated and extended at the Group of 8 summits in Evian, France (2003), Sea Island, United States (2004) and Gleneagles (2005). At Sea Island, leaders reiterated the commitment to train and equip 75,000 troops to take part in peace support operations worldwide, with a sustained focus on Africa, by 2010. At Gleneagles, participants pledged to train 25,000 African peacekeepers and also committed to provide coordinated technical assistance to the African Standby Force. The 2005 World Summit Outcome similarly committed States Members of the United Nations to develop a 10-year plan for capacity-building with AU. In late 2007, African and European leaders adopted the Joint Africa-EU Strategy and Action Plan whereby EU expressed its commitment to provide continued support for AU in its efforts to operationalize, in cooperation with relevant African regional organizations, the African Peace and Security

Architecture, including through long-term capacity-building for the various structures provided therein.

64. Overall, these commitments have led to tangible results. In November 2006, the United Nations and AU signed a declaration entitled "Enhancing United Nations-African Union Cooperation: Framework for the Ten-Year Capacity-Building Programme for the African Union" (A/61/630, annex), which, in harmony with the views of AU, puts its emphasis on security issues. The commitments of the United Nations under the Framework are currently being delivered through, inter alia, the Regional Consultations Mechanism (cluster on peace and security) and progress is marked in the area of training and mediation. The Group of 8 is equally on track to fulfil its commitments. Although the overall assistance to the African security architecture is often pursued by States members of the Group of 8 on an unharmonized and ad hoc basis, they are well on the way to meeting the peacekeeping training commitments, with the United States alone expected to train at least 75,000 troops in Africa by 2010 through the African Contingency Operations Training and Assistance Programme. According to AU, in 2007, the organization received $250.6 million from international partners in support of its peace and security activities. Despite this progress, most aid remains devoted to peacekeeping or peace-enforcement missions, rather than conflict prevention or post-war reconstruction. As noted by the 2007 audit of AU, the road map for the operationalization of the AU Early Warning System has not yet been implemented, and the early warning mechanisms of the regional economic communities are at different stages of development and in most cases not yet operational. Finally, EU is equally making strong political and financial commitments to support the African Peace and Security Architecture. EU assistance is based on the African Peace Facility, which is used to support African-led peace support operations and to promote capacity-building of the African security architecture. From 2005 to 2007, the African Peace Facility transferred €250 million in support of the Architecture, with the promise of a further €300 million over the next three years (2008-2010).

IV. South-South cooperation

65. An increase in South-South cooperation involving economic and technical cooperation among developing and middle-income countries has come about in recent years. In 2005, the World Summit Outcome recognized the achievements and great potential of South-South cooperation and encouraged the promotion of this collaboration. In the same year, leaders of the South adopted the Doha Plan of Action at the Second South Summit, following up on the Havana Programme of Action of 2000. The Plan of Action contains over 100 commitments in the areas of globalization, knowledge and technology, South-South cooperation and North-South relations.

66. Some progress has been achieved in realizing these commitments. In the past two decades, the growth in trade between developing countries has been much higher than global trade, so that by 2006, South-South trade represented 46 per cent of total exports of developing countries.[14] Across Africa, more countries are forging new relations with their counterparts in developing Asia and South America. Africa-

[14] UNCTAD, "New and dynamic sectors of trade: the South-South dimension" (TD/B/COM.1/EM.34/2).

South trade is now a fast-growing part of the continent's international commerce. For example, African exports to China more than quadrupled between 2000 and 2005 to $19.5 billion. In addition, foreign direct investment from the South increased by 17 per cent in 2005. FDI to Africa is increasingly coming from Asia, especially China, but also from India and the Gulf States. Although trade within Africa remains relatively small, current evidence suggests that it is increasing, especially within the regional trade blocs. In the context of Africa's integration efforts, there are examples of South-South cooperation in trade and investment flows from middle-income countries such as South Africa to less-developed African countries.

67. In 2003, the Marrakesh Declaration on South-South Cooperation, adopted by the High-level Conference on South-South Cooperation, also expressed the commitment of Governments to South-South cooperation and to further strengthen it in different areas, including information and communication technology, trade, investment, finance, debt management, food, agriculture, water, energy, health and education. Over the years, South-South cooperation has become an important pillar in the edifice of development assistance and the number of non-OECD countries that now are engaged in aid provision and development cooperation has risen steeply, to nearly 30. There is some reluctance by these countries, however, to engage in standard donor practices regarding the allocation, administration and reporting of the assistance, which is estimated by OECD to reach $8 billion annually.

68. Three countries are particularly active in this cooperation: China, India and Brazil. In 2006, at the Forum on China-Africa Cooperation, China pledged to provide $3 billion in preferential loans and $2 billion in preferential export buyer's credit to African countries in the next three years. The two sides also adopted the Beijing Action Plan (2007-2009). Over the past few years, China has become one of Africa's major partners for trade and economic cooperation. According to UNCTAD, trade (exports and imports) between Africa and China increased from $11 billion in 2000 to $56 billion in 2006. China's FDI stock in Africa had reached $1.6 billion by 2005.[15] In May 2008, China assessed the implementation of the Beijing Action Plan and announced that China-Africa trade had reached $73.31 billion in 2007 and was expected to reach $100 billion by 2010.

69. India has also broadened its economic relationship with Africa. In April 2008, it organized the first India-Africa Forum summit where modalities to strengthen the cooperative ties between the two partners were considered. At the Forum, India pledged a $5.4 billion credit line for African countries over the next five years and $500 million in ODA. It has additionally announced a duty-free tariff preference scheme for 50 least developed countries, of which 33 are in Africa, to provide preferential market access for their exports. Brazil has also enhanced its cooperation with African countries, notably by providing technical support in the areas of electoral assistance, peacebuilding, energy, and information and communication technologies. Brazil-Africa trade increased from $5 billion in 2002 to $19.9 billion in 2007. Brazil operates not only bilaterally but also multilaterally, through the South America-Africa summits, where it serves as the general coordinator on the South American side.

[15] UNCTAD, *Asian Foreign Direct Investment in Africa: Towards a New Era of Cooperation among Developing Countries* (United Nations publication, Sales No. E.07.II.D.1).

70. The contribution of these countries has been supplemented by emerging donors such as Malaysia, the Russian Federation, the Republic of Korea and Middle Eastern countries, which have sought to promote the development of the continent through private investments, for example, the Arab Fund for Economic and Social Development, the OPEC Fund for International Development, the Saudi Fund for Development, the Islamic Development Bank and the Islamic Solidarity Fund for Development of the Organization of the Islamic Conference.

V. Conclusions and the way forward

71. Progress in Africa towards the Millennium Development Goals and other internationally agreed development goals remains off track and more must be done to fulfil existing African and international commitments to action. Most African and international commitments remain only partially realized. Significant progress has been made by the international community in providing debt relief, aid for trade and support for peace and security, but more needs to be done to follow through on pledges of sectoral-level support for Africa's development. At this juncture, meeting Africa's development needs and challenges will require resolution and leadership to turn existing African and international commitments into results, and vision into policy actions. This is undeniably one of the most important challenges facing African countries and institutions, as well as the international community, including the United Nations. The following recommendations are designed to assist in this effort.

72. The African States should strengthen mechanisms for participation, inclusion and empowerment of all segments of society, including civil society, communities and households, in the political and development processes. The NEPAD programme affirms that ownership, inclusion and involving communities in setting goals can help focus public action on social priorities. The NEPAD founding document emphasizes the determination of Africa's leaders to translate the deep popular will into action.

73. The AU Commission and the NEPAD secretariat should intensify efforts towards the ongoing integration of NEPAD into the structures of the Commission. The Chairperson of the Commission has recently set up a NEPAD coordinating unit, aimed at accelerating this process, as was called for by the March 2007 Conclusions and Recommendations of the NEPAD Heads of State and Government Implementation Committee Meeting and Brainstorming on NEPAD held in Algiers. The AU member States should support the work of the unit.

74. Given the importance of agriculture in the development of the continent and to cope with the current food crisis, African countries should meet the Maputo Declaration target of devoting 10 per cent of public expenditure to agricultural and rural development.

75. Given the number of commitments regarding Africa's development made by the international community and by African Governments, there is a need to strengthen the existing monitoring mechanism for mutual accountability in the NEPAD secretariat supported by ECA and which works with the African Partnership Forum Support Unit.

76. The Regional Consultations Mechanism should be strengthened to ensure effective support to AU and its NEPAD programme. This calls for stronger commitment and institutional leadership on the part of all concerned: United Nations agencies, on the one hand, and African regional and subregional organizations, on the other. The Mechanism's clusters should be provided with sufficient dedicated resources to ensure effective coordination and maximum impact. Furthermore, the secretariat of the Regional Consultations Mechanism located at ECA should be strengthened to ensure that it can effectively execute its strategic coordinating role.

77. Given the mixed record of African States in achieving the Millennium Development Goals, African States should embark upon a peer-review exercise on the Goals. In the follow-up to the Economic and Social Council's annual ministerial review, a recently promoted initiative, ECA should convene a regional annual ministerial review, in order to encourage peer learning and experience-sharing among African countries. As African Heads of State and Government have recently requested the AU Commission, in collaboration with ECA, to prepare status reports and related statistics on the progress in Africa towards the attainment of the Millennium Development Goals, the regional review should be the appropriate environment where information is shared and progress is assessed. Greater coherence between national development strategies and the Programme of Action of the African Peer Review Mechanism is needed.

78. African countries need to take further steps to improve both economic and political governance. This call entails, for instance, that countries which have been peer reviewed should implement recommendations contained in the reports of the African Peer Review Mechanism.

79. In order to deal with the human and income poverty in Africa, special action should be taken to support the building of human and institutional capacity to achieve an adequate measure of sustainability in the areas of economic and social development, macroeconomic policies, households and communities. Effective support to building human and institutional capacity contributes to adequate formulation, planning and implementation of reforms. African countries and the international community should coordinate their efforts to strengthen the effectiveness of their contribution to capacity-building.

80. While African countries should integrate climate issues into economic planning and management at both national and regional levels, international partners should support their mitigation and adaptation efforts, climate-proof all projects and policies intended to achieve agreed development goals and provide compensatory financing for this process. Substantial financing is necessary to climate-proof development spending, adapt poverty reduction to climate change, strengthen responses to disasters, and build capacity to support adaptation planning and implementation of strategies and plans on climate change. A dedicated fund should be created for these purposes.

81. Tremendous gains are possible if the international community translates its commitments into results. There are currently concrete opportunities to implement and scale up interventions in support of the Millennium Development Goals. They include: (a) meeting short-term emergency food needs resulting from the global rise in food prices to prevent malnutrition and contain political unrest; (b) launching an African green revolution within the framework of the Comprehensive Africa

Agricultural Development Programme; (c) investing in critical infrastructure; (d) investing in education to achieve the Millennium Development Goals and Education for All goals by 2015, including gender parity at all levels, and implementing national school-feeding programmes; (e) strengthening health systems and phasing in child survival interventions; (f) ensuring access to emergency obstetric care for all women; (g) providing family planning services for all; (h) fighting infectious diseases; (i) implementing national water supply and sanitation strategies; and (j) strengthening national statistical systems.

82. In the follow-up to the assessment of the MDG Africa Steering Group, the international community needs to increase external financing for African agriculture from the current $1-2 billion per year to roughly $8 billion by 2010. In education, approximately $8.3 billion are required annually to ensure achievement of the education Millennium Development Goal. In health, it is estimated that external financing needs will reach $25-30 billion per year by 2010. Finally, $52.2 billion per year are required in public and private investment finance to resolve the critical bottlenecks in infrastructure.

83. African countries should also prioritize quick-impact initiatives such as enhanced coverage for nutrition programmes, control of malaria and other vector-borne diseases, rapid increase in school enrolment through the abolition of school fees, improved inputs to raise agricultural productivity and increased access to family planning.

84. In line with the June 2008 recommendations of the MDG Africa Steering Group, as external finance for development in Africa needs to rise to $72 billion per year to support the achievement of the Millennium Development Goals, development partners should fulfil ODA commitments made at the International Conference on Financing for Development and during the run-up to the 2005 World Summit, including at the G-8 summit at Gleneagles.

85. Given the shortfalls in the quality of aid and the harmonization of delivery, development partners, as highlighted by the MDG Africa Steering Group, should align their assistance with country systems through multi-year compacts, increase the predictability of aid, improve the division of labour among donors and accelerate the shift away from project-based finance towards budget support. Many countries and organizations that are not members of the OECD Development Assistance Committee are assuming an increasingly central role as development partners for African countries. Therefore, efforts to improve aid effectiveness also need to involve high-income country donors that are not members of the Committee such as the Gulf States, enhanced South-South collaboration with partners such as Brazil, China and India, as well as large private foundations.

86. There is a need for the international community to increase resources by establishing currency transaction taxes, global environmental taxes such as carbon taxes and taxes on freight transport.

87. Despite some progress, the current debt sustainability framework for low-income countries remains questionable. There is a need to extend HIPC and MDRI initiatives to non-HIPC African countries, including middle-income and low-income countries, as well as address the challenges that delay countries in reaching the completion point.

88. Forthcoming trade negotiations should take into account the needs of developing nations to gain improved market access and entry for their exports, including agriculture, manufactures and labour-intensive services. Consequently, developed countries should reduce agricultural subsidies. As highlighted by the MDG Africa Steering Group, the current upward trend in food prices challenges the argument for agricultural subsidies and, therefore, provides a window of opportunity for trade reform.

89. As raised at the seventh AU Summit, held in the Gambia in 2006, regional economic communities should coordinate and harmonize their policies among themselves. In addition, adjustments should be made to existing regional trade agreements to bring them into line with the regulations of the African Economic Community. At the same time, regional trade agreements, especially those between developing and developed countries such as the economic partnership agreements, should be compatible with the development objectives and strategies of African countries and with existing WTO rules on regional trade agreements.

90. One of the key priorities that African countries should address is the improvement of their supply-side capacities and the deepening of their regional integration. In this regard, African countries should accelerate the preparation of well-prioritized action plans for Aid for Trade implementation with clear bankable projects at national and regional levels. The international community, for its part, should assist African countries to implement the projects prioritized in the Aid for Trade action plans by providing sufficient and predictable financial resources. At the same time, the rules of WTO Agreement on Trade-Related Aspects of Intellectual Property Rights and the Agreement on Trade-Related Investment Measures should be liberalized in order to facilitate the adoption of technology as well as expansion of policy space by African countries.

91. The donor community should concentrate its efforts on conflict prevention/early warning, post-war reconstruction, peacekeeping and peace enforcement in order to achieve a conflict-free Africa by 2010, as stated in General Assembly resolution 61/230. Support to the early warning mechanisms of the Intergovernmental Authority on Development, the Economic Community of West African States, the Economic Community of Central African States, the Southern African Development Community and the overall All Continental Early Warning System should be intensified.